

M/037/084

12596 West Bayaud, Ste. 350, Lakewood, CO 80228 303-980-1292

**Cotter Corporation**  
**FAX - 303-980-1296**

# Fax

To: TONY GALLEGOS, DIV OF OIL,GAS,

From: Jerry Powers

Fax: 801-359-3940

Pages: 3 (including this sheet)

Phone:

Date: 03/07/00

Re: BOND FORM

CC:

☐ Urgent☐ For Review☐ Please Comment☐ Please Reply☐ Please Recycle

TONY:

HERE IS THE COPY OF THE CURRENT BOND FORM THAT I HAD SUBMITTED TO JOHN BLAKE  
FOR OUR LIMESTONE OPERATION IN SAN JUAN COUNTY.

THANKS FOR YOUR ASSISTANCE IN THIS MATTER

- COPY OF NEW BOND  
PROPOSED TO BE POSTED  
WITH SMHA.

THIS BOND REPLACES AND SUPERSEDES UNITED PACIFIC INSURANCE COMPANY BOND NO.

BOND NUMBER

Corporate Surety Bond

STATE OF UTAH  
BOND OF LESSEEKNOW ALL MEN BY THESE PRESENTS, that we COTTER CORPORATION

of 12596 W. Bayaud Ave., Ste. 350, Lakewood, CO 80228 as principal and  
AMERICAN HOME ASSURANCE COMPANY as surety, are held and firmly bound  
unto the State of Utah in the sum of Fifty four thousand Dollars (\$54,000.00 ) lawful money of the United States  
to be paid to the School & Institutional Trust Lands Administration, as agent for the State of Utah, for the use and benefit  
of the State of Utah, and of any patentee or purchaser of any portion of the land covered by the hereinafter described  
lease heretofore sold or which may hereafter be sold with a reservation to the State of Utah, on the surface or of other  
mineral deposits of any portion of such lands, for which payment, well and truly to be made, we bind ourselves, and each  
of us, and each of our heirs, executors, administrators, successors, sublessees, and assignees, jointly and severally by  
these presents.

Signed with our hands and seals this 18th day of February, 2000

The condition of the foregoing obligation is such that,

WHEREAS, The State of Utah, as Lessor, issued a(n) Mineral  
lease, Lease Number 45609 and dated \_\_\_\_\_, to Cotter Corporation  
as lessee (and said lease has been duly assigned under date of \_\_\_\_\_  
to \_\_\_\_\_) to drill for, mine, extract, and remove all of the Limestone  
deposits in and under the following described lands, to wit:

NW1/4, SW 1/4, N 1/2 NE 1/4, and SW 1/4 SE 1/4, Section 36 T.29 1/2 S., R.24.,  
San Juan County, Utah

NOW, THEREFORE, the principal and surety shall be obligated to pay all monies, rentals, royalties, costs of  
reclamation, damages to the surface and improvements thereon and any other damages, costs, expenses, penalties, interest  
or liabilities which arise by operation of or in connection with the above described lease(s) accruing to the Lessor and  
shall fully comply with all other terms and conditions of said lease, the rules, regulations, and policies relating thereto  
of the School & Institutional Trust Lands Administration, the Board of Oil, Gas and Mining, and the Division of Oil,  
Gas and Mining as they may now exist or may from time to time be modified or amended. This obligation is in effect  
even if the principal has conveyed part of its interest to a successor in interest. If the principal fully satisfies the above  
described obligations, then the surety's obligation to make payment to the State of Utah is void and of no effect,  
otherwise, it shall remain in full force and effect until released by the School & Institutional Trust Lands Administration.

Signed, sealed and delivered  
in the presence of

COTTER CORPORATION

[Signature]  
Witness

[Signature]  
Principal  
(SEAL)

AMERICAN HOME ASSURANCE COMPANY  
BONDING COMPANY

BY

Vivienne Douglas, Attorney-in-Fact

Attest:

Kathleen K. Grund

APPROVED AS TO FORM:

JAN GRAHAM  
ATTORNEY GENERALResident Agent: not requiredBy [Signature]Bonding Co. Address: 175 Water Street, 6th floorNew York, New York 10038

Corporate Seal of Bonding Company Must be Affixed.

**American Home Assurance Company**  
**National Union Fire Insurance Company of Pittsburgh, Pa.**  
 Principal Bond Office: 175 Water Street, New York, N.Y. 10038

**POWER OF ATTORNEY**

No

**KNOW ALL MEN BY THESE PRESENTS:**

That American Home Assurance Company, a New York corporation, and National Union Fire Insurance Company of Pittsburgh, Pa., a Pennsylvania corporation, does each hereby appoint

---Vivienne Douglas, Raymond A. Leonard, J. M. O'Connell, Kathleen K. Freund: of Denver Colorado---

its true and lawful Attorney(s)-in-Fact, with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa. have each executed these presents

this 10th day of September, 1998.



*Lawrence W. Carlstrom*  
 Lawrence W. Carlstrom, Senior Vice President  
 National Union Fire Insurance Company of Pittsburgh, PA.  
 Vice President, American Home Assurance Company

STATE OF NEW YORK }  
 COUNTY OF NEW YORK }ss.

On this 10th day of September, 1998 before me came the above named officer of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa., to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seals of said corporations thereto by authority of his office.

*Joseph B. Nozzolio*  
 JOSEPH B. NOZZOLIO  
 Notary Public, State of New York  
 No. 01-NO4652754  
 Qualified in Westchester County  
 Term Expires Jan. 31, 2000

**CERTIFICATE**

Excerpts of Resolutions adopted by the Boards of Directors of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa. on May 18, 1976:

"RESOLVED, that the Chairman of the Board, the President, or any Vice President be, and hereby is, authorized to appoint Attorneys-in-Fact to represent and act for and on behalf of the Company to execute bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, and to attach thereto the corporate seal of the Company, in the transaction of its surety business;

"RESOLVED, that the signatures and attestations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed with respect to any bond, undertaking, recognizance or other contract of indemnity or writing obligatory in the nature thereof;

"RESOLVED, that any such Attorney-in-Fact delivering a secretarial certification that the foregoing resolutions still be in effect may insert in such certification the date thereof, said date to be not later than the date of delivery thereof by such Attorney-in-Fact."

I, Elizabeth M. Tuck, Secretary of American Home Assurance Company and of National Union Fire Insurance Company of Pittsburgh, Pa. do hereby certify that the foregoing excerpts of Resolutions adopted by the Boards of Directors of these corporations, and the Powers of Attorney issued pursuant thereto, are true and correct, and that both the Resolutions and the Powers of Attorney are in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of each corporation

this 18th day of February, 2000



*Elizabeth M. Tuck*  
 Elizabeth M. Tuck, Secretary